

**DEPARTMENT OF EDUCATION - OFFICE OF FISCAL SERVICES  
REQUEST and NOTICE OF EXEMPTION FROM PROCUREMENT**

**PART I - REQUEST FOR EXEMPTION FROM PROCUREMENT**

1. TO: DOE Chief Procurement Officer (send completed original form to OFS Procurement and Contracts Branch)

FROM: Safety, Security, and Emergency Preparedness Branch  
(Name of School or Program)

The school/program named above requests a procurement exemption as follows below.

2. This exemption is requested pursuant to:

☒ §103D-102(b)(4), HRS and Chapter 3-120, HAR or  
☐ §103F-101(a)(4), HRS and Chapter 3-141, HAR

3. Island/District: ☐ Statewide or

☐ Oahu ☒ Hawaii ☒ Kauai ☒ Maui

4. Description of the proposed purchase (attach additional sheets if necessary):

Indicate one category: ☐ good ☒ service ☐ construction ☐ Health/Human service ☐ professional service  
Brief description:

The Department of Health is responsible for enforcement of the criteria set forth under Chapter Title 11-502, HAR. This rule requires re-inspection of buildings built after 1988 to certify the absence of Asbestos Containing Building Materials (ACBM) OR in lieu of re-inspection, the Department of Accounting & General Services (DAGS) must provide a letter of exclusion certifying that no asbestos was used in the construction of these buildings in question. Because a letter of exclusion cannot be supplied by DAGS, the DOE shall either 1) assume that these buildings contain asbestos materials or 2) inspect the buildings to certify that no asbestos is present.

To assume that these buildings contain asbestos materials places a burden on school personnel because all facilities classified as "assumed to contain asbestos" must be inspected and a condition report submitted to OSFSS every six months.

The DOE therefore intends to physically sample and inspect the buildings to ascertain, via laboratory analysis, that no asbestos is present.

5. Vendor Information

Name: Enviroservices and Training Center, LLC  
Address: 505 Ward Avenue, Suite 202  
Honolulu, HI 96814

6. Term of Contract

From: June 30, 2010  
To: June 30, 2011

7. Total Cost:

\$127,704.48

8. Explanation describing how procurement by competitive means is either **not practicable or not advantageous** to the State (attach additional sheets if necessary):

The DOE recently awarded a contract to Enviroservices and Training Center, LLC to conduct routine re-inspections of Neighbor Island schools. This contract was awarded via a competitive bid process. Via this exemption, the DOE intends to modify the existing contract to incorporate additional inspections as follows:

A certain number of buildings with a specific designation will be inspected as though it were to be inspected for the first time. Approximately 280 of a total of about 775 buildings are in this category. Because of the need to collect samples for testing and the kind of scrutiny needed in this type of asbestos inspection, the unit cost per building is more expensive than the unit cost in the original bid. The unit cost will be \$252 per building for permanent structures and \$208 per building for portable structures.

To perform the scope of work that is being proposed, a vendor would have to visit up to 93 schools on 5 of the outer islands for work that is a little over 20% of the recently awarded contract value. The cost of travel to these school sites would be a significantly higher portion of the contract value. Since the vendor awarded the contract is already obligated to visit all these neighbor island schools, it is a definite time and cost advantage to incorporate this new asbestos inspection criteria to a vendor that will already be visiting these schools.

To award a separate contract to another company would result in duplicate visits to the same schools at additional cost.

9. Details of the process or procedure to be followed in selecting the vendor to **ensure maximum fair and open competition** as practicable (attach additional sheets if necessary):

The award of the existing contract was already based on a fair and open competition. Given the travel requirements from Oahu, there is no practical instance where another vendor can perform the needed service at a more competitive cost.

10. A description of the school/program internal controls and approval requirements for the exempted procurement (attach additional sheets if necessary):

The original contract award included a unit cost per building to provide a certain level of asbestos inspection, specifically \$157.28 per building. OSFSS received a firm quotation from the Contractor for \$252.00 per building for a higher level of inspection which includes sampling and laboratory analysis. The DOE will receive a credit of the originally proposed cost, so the net increase to the contract is the difference between the increased scope cost and the original cost, which is about \$95 per building. The application of additional costs can be monitored because only specific buildings are involved.

11. List of school/program personnel who will be involved in the approval process and administration of the contract (attach additional sheets if necessary):

<u>Name</u>	<u>Title</u>	<u>Involvement in process</u>
David Chung	Contract Point of Contact	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Mark Behrens	Contract Administrator	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration

12. This exemption should be recommended to the Procurement Policy Board to be considered for the list of exemptions attached to Chapter 3-120 or 3-141, HAR: ☐ Yes ☒ No

13. I hereby certify that the information provided above is, to the best of my knowledge, true and correct; and that all applicable statutory, administrative, policy and procedures have or shall be complied with.

  
\_\_\_\_\_  
Administrator's Signature & Title

2/19/10  
\_\_\_\_\_  
Date

**PART II - NOTICE OF EXEMPTION FROM PROCUREMENT**

The school/program named below intends to exempt the goods, services, or construction (as described in the request above) from procurement for good cause. The Chief Procurement Officer is in the process of reviewing this request.

Inquiries and questions about this request may be directed to:

Name/Title: David Chung, Architect  
School/Program: Standards and Quality Assurance Unit, FDB  
Address: 4680 Kalanianaʻole Hwy, Honolulu 96821  
Telephone No.: (808) 377-8311  
email address: david\_chung/facildev/hidoe@notes.k12.hi.us

Written objections to this Notice of Exemption must be received within seven (7) calendar days from the date this notice was posted, and shall be directed to:

Chief Procurement Officer, Department of Education  
Procurement & Contracts Branch, OFS  
94-275 Mokuola Street Room 200  
Waipahu, Hawaii 96797  
Telephone Number: 808-675-0130  
Email address: DOEprocure@notes.k12.hi.us

**Reserved for Procurement Office Use**

14. Chief Procurement Officer's Comments:

15. ☐ **Approved**  
☐ **Disapproved**  
☐ **No Action**

\_\_\_\_\_  
Kathryn S. Matayoshi, Interim Superintendent & CPO

\_\_\_\_\_  
Date

c: Administrator, State Procurement Office